

**COST OF HOUSING ANALYSIS
FOR
COLORADO COUNTIES**

SUMMARY REPORT

**PREPARED FOR
THE COLORADO DIVISION OF HOUSING**

**THOS. Y. PICKETT & COMPANY, INC.
ROCKY MOUNTIAN DIVISION
DENVER, COLORADO
August 29, 2001**

2001 Housing Cost Estimate

Division of Housing

Thos. Y. Pickett & Company, Inc. has concluded the analysis of the cost of housing for each of the sixty-three (63) Colorado Counties. The analysis was conducted pursuant to the "Description of Services" specified by Thos. Y. Pickett & Company and the Colorado Division of Housing. The fundamental objective of this analysis was to project the cost of a single-family residential property, hereinafter referred to as the benchmark property, for each Colorado County.

In estimating the estimated cost of a 1300, a 1500, and a 2000 square foot single family residence, Thos. Y. Pickett & Company Inc. (The Company) used the following methodology.

TARGET DATE OF VALUE ESTIMATE:

Not all sales in a county occur on the Colorado assessment target date of June 30, 2000. Therefore, sales that occurred prior to that date needed to be checked and adjusted if necessary for the effect of inflation or deflation between the actual sales date and the target valuation date. An analysis of the change in sales ratios over time was used to determine the presence and rate of the influence of time on the price of homes. This analysis was stratified at the property class and economic area levels. All statistically valid and necessary adjustments were made to ensure that the cost of housing estimates represent an estimate of value on January 1, 2001. Not all counties or economic areas within counties supported an adjustment for time. Sales data were available for a period up to June 30, 2000 but at the direction of the Division of Housing projections were made to the January 1, 2001 Division of Housing target date.

Exclusion criteria for this study were as follows:

- Properties with an effective year built prior to 1941 (greater than sixty years old)
- Properties with poor quality of construction
- Properties with a living area of less than 400 square feet

PROJECTION OF VALUE:

Using the time adjusted data, a median price per square foot was calculated for each county. For review, the minimum, maximum and deviation were also calculated. The projected value estimate was calculated using the median price per square foot multiplied by the target size of each of the benchmark properties (1300, 1500, and 2000 square feet). Once all counties had been assigned a projected value, the values were plotted on a map and visually compared to neighboring county estimates of value.

CONCLUSION:

This report presents the analysis and associated conclusions with regard to an estimate of the cost of the benchmark properties for each of the Colorado Counties. The estimate of value for each county is based on sale prices of actual properties within that county. The market value of a property is the price for which it will sell or the price for which it has recently sold in an arms-length transaction. Sale prices are the best possible tool for estimating value and are the foundation of this analysis.

COMMENTS:

The data used for this year's analysis in the counties of Hinsdale, Kiowa, Mineral, and San Juan yielded a lower projected value than the analysis for the prior year. The small sample of single-family residential sales available for analysis during the data collection period makes it more difficult to calculate results with the high level of confidence that a larger sample size allows. The range of error inherent in statistical analysis of a small sample may be contributing to the change in projected values between the prior year and the current year.

The decrease in values for Moffat, Montezuma, and Yuma counties from the prior to the current year may be attributed to the presence or absence of time trending. Time trending was applied to the data used for the projection of value for the prior year's study in each of these counties. Analysis of the data for the current period revealed either no time trend or a smaller time trend when compared to the prior data period. Projected values for the 2000 study were based on a data collection period that ended on June 30, 1998. This means that a value projected for January 1, 2000 was based on the assumption that the time trends established eighteen months earlier would continue unchanged through the January 1, 2000 target date. This process, called bridging, may have resulted in a misleading value for the 2000 study and explain the decrease in the projected value between the 2000 study and the 2001 study.

Division of Housing
Housing Cost Projections
Estimate of Value on January 1, 2001

County Number	County	N	Coaefficient of Variation	Average Adjusted Price/SF	Median Adjusted Price/SF	Minimum Adjusted Price/SF	Maximum Adjusted Price/SF	Projected Value 1,300 SF Home	Projected Value 1,500 SF Home	Projected Value 2,000 SF Home
1	Adams	12095	20.9349	138.121	133.085	51.974	400.144	\$ 173,011.03	\$ 199,628.12	\$ 266,170.82
2	Alamosa	210	29.0935	55.380	53.661	21.277	144.676	\$ 69,758.93	\$ 80,491.07	\$ 107,321.43
3	Arapahoe	16958	27.9165	135.246	126.197	30.600	781.177	\$ 164,056.12	\$ 189,295.52	\$ 252,394.02
4	Archuleta	265	27.9965	99.760	97.122	41.966	284.722	\$ 126,258.99	\$ 145,683.45	\$ 194,244.60
5	Baca	37	48.1749	28.372	25.884	7.278	61.236	\$ 33,649.70	\$ 38,826.57	\$ 51,768.77
6	Bent	79	35.9213	36.243	35.762	13.702	72.917	\$ 46,491.23	\$ 53,643.72	\$ 71,524.97
7	Boulder	10007	34.3569	168.534	154.125	63.967	648.841	\$ 200,362.55	\$ 231,187.56	\$ 308,250.08
8	Chaffee	381	30.1113	116.269	112.163	55.498	417.179	\$ 145,812.25	\$ 168,244.90	\$ 224,326.54
9	Cheyenne	38	25.5372	29.741	30.736	11.700	48.246	\$ 39,956.23	\$ 46,103.35	\$ 61,471.13
10	Clear Creek	258	33.8091	171.524	164.832	44.566	610.123	\$ 214,281.14	\$ 247,247.47	\$ 329,663.29
11	Conejos	49	53.6367	58.029	49.731	21.636	166.662	\$ 64,650.00	\$ 74,596.15	\$ 99,461.53
12	Costilla	32	39.6786	56.816	53.325	12.417	104.911	\$ 69,322.39	\$ 79,987.37	\$ 106,649.83
13	Crowley	29	29.3029	43.912	39.063	20.718	82.860	\$ 50,781.25	\$ 58,593.75	\$ 78,125.00
14	Custer	105	63.9503	90.824	77.797	12.981	507.212	\$ 101,136.36	\$ 116,695.80	\$ 155,594.41
15	Delta	307	24.3929	89.724	85.538	44.389	187.674	\$ 111,199.09	\$ 128,306.64	\$ 171,075.52
16	Denver	9038	29.6397	151.100	144.807	64.039	433.637	\$ 188,249.36	\$ 217,210.81	\$ 289,614.41
17	Dolores	44	74.6118	65.864	46.638	17.538	178.754	\$ 60,628.80	\$ 69,956.31	\$ 93,275.08
18	Douglas	15165	25.5549	128.478	121.226	61.743	679.244	\$ 157,593.37	\$ 181,838.51	\$ 242,451.34
19	Eagle	1471	76.6240	331.759	245.290	91.398	2862.043	\$ 318,876.79	\$ 367,934.76	\$ 490,579.68
21	El Paso	15349	30.5533	161.230	155.373	50.686	506.871	\$ 201,985.39	\$ 233,060.07	\$ 310,746.76
20	Elbert	716	19.9374	155.721	154.355	41.212	277.680	\$ 200,661.57	\$ 231,532.58	\$ 308,710.11
22	Fremont	932	25.2931	80.807	78.231	39.286	189.519	\$ 101,700.88	\$ 117,347.16	\$ 156,462.89
23	Garfield	1331	85.0339	158.690	139.130	39.699	4518.587	\$ 180,868.94	\$ 208,694.93	\$ 278,259.91
24	Gilpin	256	30.3014	131.229	127.449	49.874	341.234	\$ 165,683.09	\$ 191,172.80	\$ 254,897.07
25	Grand	449	47.9632	194.955	179.361	55.598	833.278	\$ 233,169.80	\$ 269,042.08	\$ 358,722.77
26	Gunnison	324	58.5968	157.517	132.323	20.601	611.772	\$ 172,019.81	\$ 198,484.40	\$ 264,645.86
27	Hinsdale	25	22.6656	128.314	125.000	84.220	219.156	\$ 162,500.00	\$ 187,500.00	\$ 250,000.00
28	Huerfano	73	39.1837	60.458	58.118	23.161	128.889	\$ 75,553.51	\$ 87,177.12	\$ 116,236.16
29	Jackson	35	44.5604	63.850	56.307	20.076	163.750	\$ 73,199.36	\$ 84,460.80	\$ 112,614.41
30	Jefferson	17112	24.9594	140.094	132.517	34.792	994.427	\$ 172,272.34	\$ 198,775.77	\$ 265,034.37

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31	Kiowa	38	41.6830	27.441	27.688	9.690	52.251	\$ 35,993.76	\$ 41,531.26	\$ 55,375.02
32	Kit Carson	81	32.4779	48.683	47.170	16.221	87.551	\$ 61,320.75	\$ 70,754.72	\$ 94,339.62
34	La Plata	967	32.4524	131.608	124.462	45.833	408.198	\$ 161,800.17	\$ 186,692.51	\$ 248,923.35
33	Lake	85	34.0175	110.097	106.170	27.811	266.486	\$ 138,020.94	\$ 159,254.94	\$ 212,339.91
35	Larimer	10721	25.2581	129.428	122.821	42.208	541.392	\$ 159,667.27	\$ 184,231.46	\$ 245,641.95
36	Las Animas	176	36.1734	51.128	46.695	22.321	118.637	\$ 60,704.13	\$ 70,043.22	\$ 93,390.96
37	Lincoln	68	31.6987	67.320	65.619	27.592	117.693	\$ 85,304.49	\$ 98,428.26	\$ 131,237.68
38	Logan	274	24.2907	63.522	62.866	23.248	118.403	\$ 81,726.29	\$ 94,299.57	\$ 125,732.76
39	Mesa	3406	20.6999	85.579	84.587	33.096	228.754	\$ 109,962.61	\$ 126,879.94	\$ 169,173.25
40	Mineral	35	38.7019	96.842	92.731	32.323	185.381	\$ 120,550.27	\$ 139,096.47	\$ 185,461.96
41	Moffat	245	34.7096	60.328	57.639	9.448	190.909	\$ 74,930.56	\$ 86,458.33	\$ 115,277.78
42	Montezuma	332	33.5748	77.032	73.875	25.000	304.688	\$ 96,036.99	\$ 110,811.91	\$ 147,749.22
43	Montrose	662	29.8261	87.956	84.001	30.130	337.874	\$ 109,201.18	\$ 126,001.36	\$ 168,001.81
44	Morgan	371	25.6139	81.239	80.978	16.667	159.910	\$ 105,271.06	\$ 121,466.60	\$ 161,955.47
45	Otero	291	26.4858	54.831	53.697	22.241	116.117	\$ 69,806.16	\$ 80,545.57	\$ 107,394.09
46	Ouray	79	34.4374	135.553	124.952	51.855	304.348	\$ 162,437.43	\$ 187,427.80	\$ 249,903.74
47	Park	864	27.3878	160.316	159.957	55.757	339.380	\$ 207,944.75	\$ 239,936.25	\$ 319,915.00
48	Phillips	62	28.1685	64.102	62.356	29.255	104.837	\$ 81,062.35	\$ 93,533.48	\$ 124,711.31
49	Pitkin	261	58.3536	580.217	548.802	127.264	1859.314	\$ 713,443.06	\$ 823,203.53	\$ 1,097,604.71
50	Prowers	117	35.7125	58.554	56.460	17.807	141.109	\$ 73,397.38	\$ 84,689.28	\$ 112,919.04
51	Pueblo	1760	23.8024	89.914	89.170	1.361	263.554	\$ 115,920.70	\$ 133,754.66	\$ 178,339.54
52	Rio Blanco	109	40.3983	70.543	64.888	19.506	213.718	\$ 84,354.72	\$ 97,332.37	\$ 129,776.50
53	Rio Grande	149	47.5966	77.508	67.649	16.223	287.683	\$ 87,944.07	\$ 101,473.92	\$ 135,298.56
54	Routt	263	42.0818	197.141	183.534	67.868	812.972	\$ 238,593.86	\$ 275,300.61	\$ 367,067.48
55	Saguache	32	44.1448	69.690	64.176	23.065	163.551	\$ 83,428.93	\$ 96,264.15	\$ 128,352.20
56	San Juan	23	39.7334	74.636	73.262	30.547	152.497	\$ 95,240.04	\$ 109,892.36	\$ 146,523.14
57	San Miguel	104	59.1269	290.731	260.211	56.903	786.026	\$ 338,274.05	\$ 390,316.21	\$ 520,421.61
58	Sedgwick	30	36.2093	31.956	32.583	9.615	60.682	\$ 42,357.34	\$ 48,873.86	\$ 65,165.15
59	Summit	1357	40.8026	266.965	237.023	78.212	922.208	\$ 308,129.81	\$ 355,534.40	\$ 474,045.87
60	Teller	653	24.6449	125.704	120.998	56.123	309.430	\$ 157,297.57	\$ 181,497.19	\$ 241,996.26
61	Washington	64	39.2031	44.610	43.566	13.353	90.909	\$ 56,635.93	\$ 65,349.15	\$ 87,132.21
62	Weld	5854	22.0239	119.730	117.746	34.242	305.641	\$ 153,069.33	\$ 176,618.46	\$ 235,491.28
63	Yuma	173	39.6275	42.625	40.946	7.239	137.500	\$ 53,230.21	\$ 61,419.47	\$ 81,892.63